

Creating Ammunition Enterprise Excellence



39th Annual Gun & Ammunition/Miss iles & Rockets Conference



Mr. Kevin Fahey
Deputy Program Executive
Officer for Ammunition
(973) 724-7102
Kevin.Fahey@us.army.mil



Key Points



- **Working hard to integrate logistics and acquisition and create a single voice (not single person) in SMCA operations/Army Ammunition Management.**
- **Instilling discipline/System Engineering mentality in the way we look at every aspect of the ammunition enterprise**
- **Still have major work to do in working with and communicating with our customers/external interfaces**
- **The Ammunition Enterprise has Addressed Critical Needs and is Poised to Focus on Long Term Strategic Challenges**



Ammunition Enterprise

Responsibilities

(As briefed to the PAA and JMC on 6 December 2002)

MISSION	LEAD	SUPPORT
ACQUISITION		
RDT & E	PEO-AMMO	JMC
Acquisition Strategy	PEO-AMMO	JMC
Hardware Production	PEO-AMMO	JMC
Components for Renovation (Maint Spt)	PEO-AMMO	JMC
APE (Maint Spt)	PEO-AMMO	JMC
PAA Program / Budget / Receive Funding	PEO-AMMO	JMC
Industrial Base	Co-Lead	
LOGISTICS / SUSTAINMENT		
Receipt / Issue	JMC	PEO-AMMO
Storage / Distribution Management	JMC	PEO-AMMO
Inventory / Accountability	JMC	PEO-AMMO
Safety / Security	JMC	PEO-AMMO
Quality Assurance (ASRP / Surveillance)	JMC	PEO-AMMO
Maintenance	JMC	PEO-AMMO
Demilitarization/ Disposal	PEO AMMO	JMC
Transportation	JMC	PEO-AMMO
OMA Program / Budget / Receive Funding	JMC	PEO-AMMO

KEY TO ENTERPRISE: INTEGRATION AND SYNCHRONIZATION



Ammunition Enterprise Definition



- **The Ammunition Enterprise is the integration of people, infra-structure and processes required for ammunition life cycle management to support the warfighter.**



Enterprise Management Philosophy



- **Promote Best Value Acquisitions**
- **Utilize Disciplined Processes**
- **Deploy Six Sigma and Lean Design/Production**
- **Promote Continuous Process Improvement and Technology Insertion**
- **Promote Commonality and Interoperability**
- **Promote Spiral or Evolutionary System Development**
- **Ensure customers voice in the process**

Put Eyeballs On - "Trust, but Verify"



Executive Black Belt Program



- **Initiated VSE facilitated monthly sessions at PEO Ammo with Sr. PEO, JMC, ARDEC Leaders on Jun 03**
- **Learning Lean Six Sigma tools through lectures and three project teams working on:**
 - ✓ **Procurement of ammunition**
 - ✓ **Supplier assessment process**
 - ✓ **Engineering support process**
- **Mapped ammo enterprise and prioritized processes improvement opportunities**



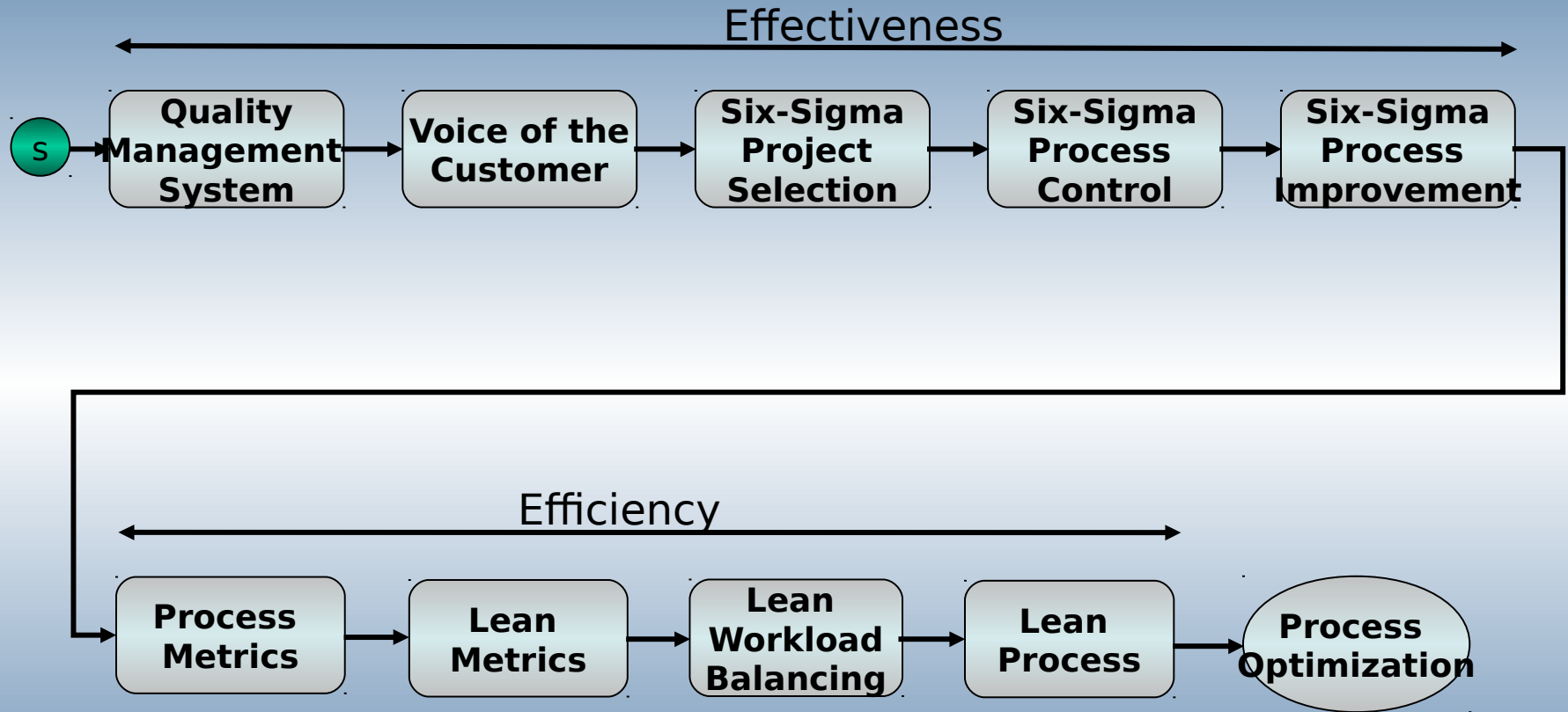
Expected Payback



- **Acquisition management consistency**
- **Fact-based decision**
- **Better prioritization and application of resources**
- **All aspects of the enterprise taken into consideration during process**
- **Complete, consistent and comprehensive acquisition strategies**
- **Streamlined processes**
- **Baseline for our decisions**
- **Better understanding and management of risks**
- **Manage Ammunition as a major acquisition program across the enterprise and not a commodity**
- **Reliable and effective products for the war fighter**

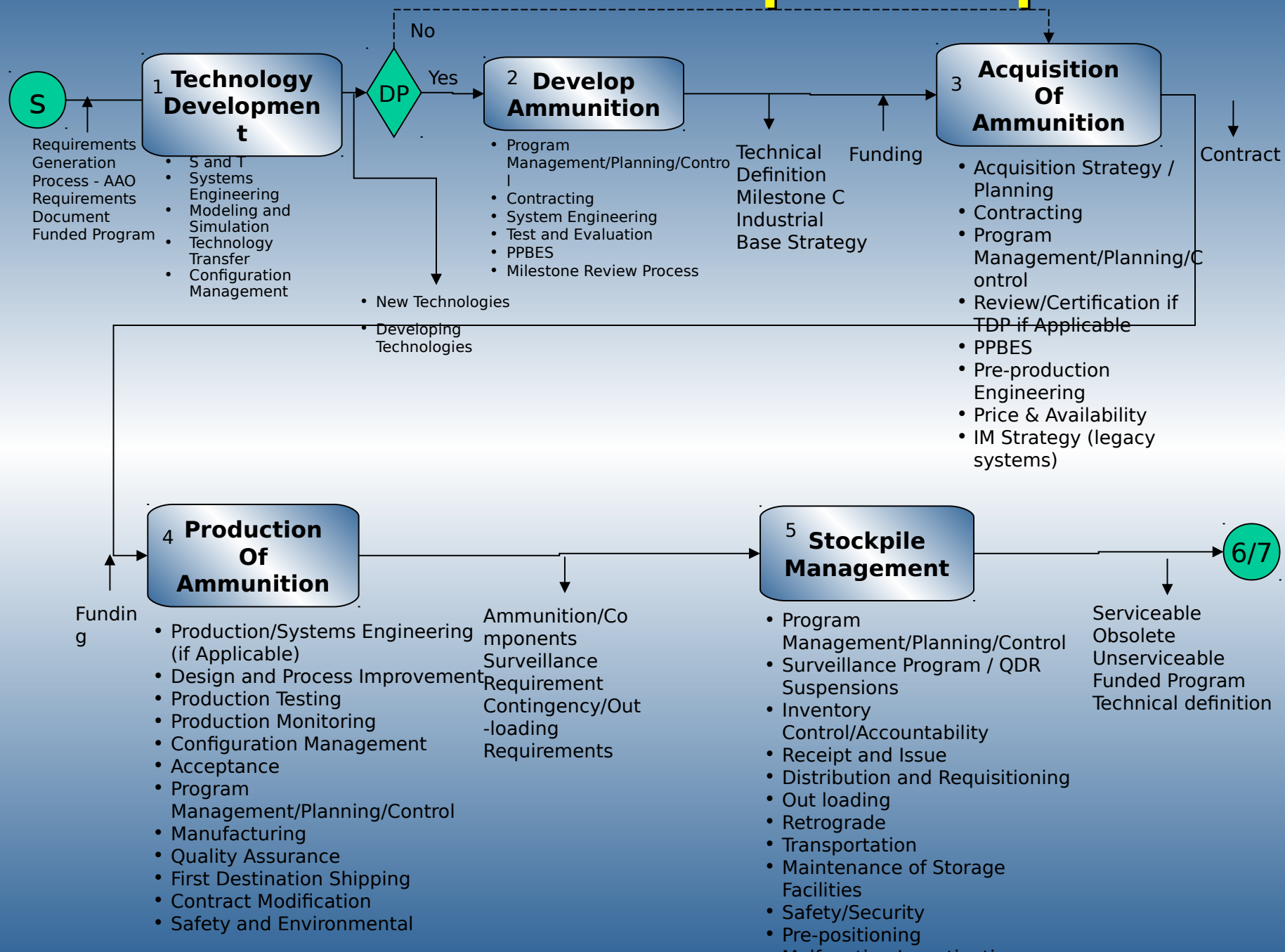


Enterprise Excellence Deployment Model

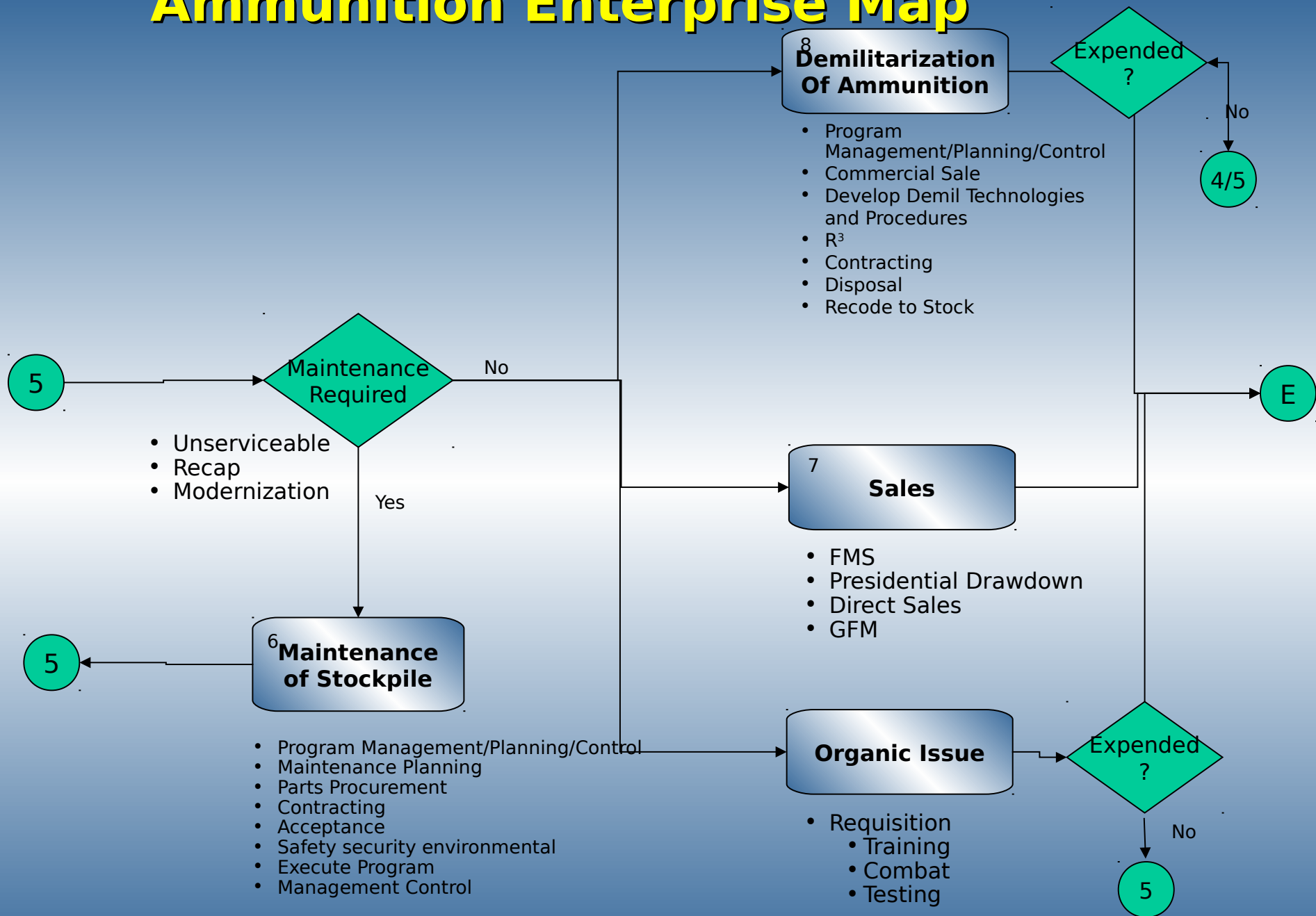


A disciplined, structured approach for process and product optimization that is focused on the effectiveness' and efficiency bottom line of the organization.

Ammunition Enterprise Map



Ammunition Enterprise Map





Enabling Initiatives



- **PEO Ammo/JMC MOU**
- **Operating in a Joint Services environment**
- **Industrial Base Strategic Planning**
- **Demilitarization Strategic Planning**
- **Munitions Readiness Reporting**
- **Collaborative Systems Environment**



Summary - The Ammunition Enterprise is ...



- An integrated organization that sees the “big picture” and hears the “voice of the customer”
- Making fact based decisions
- Continuously improving effectiveness and efficiency
- Championing innovation at all levels

Supporting the Joint warfighter in every way possible

Discussion





Ammunition Enterprise



➤ Mission:

- ✓ Single Manager for Conventional Ammunition
- ✓ Life Cycle Acquisition Management of Ammunition

➤ Key Objectives:

- ✓ Unify and Integrate Ammunition Management Under One Single Chain of Command - **Working hard to integrate logistics and acquisition and create a single voice (not single person) in SMCA operations/Army Ammunition Management**
- ✓ Develop a Unified Munitions Acquisition Strategy
- ✓ Identify and Optimize Key Business Processes
- ✓ Develop an Overarching Industrial Base Strategy (Organic and Commercial)
- ✓ Provide Integrated Supply Chain Management of the Ammunition Production Base



Enterprise Excellence



- Create an agile organization capable of quickly addressing problems, changing budgets, changing requirements, changing technology, changing industrial base etc.
- Culture based on fact-based decision making
- Maximize value through quality management-voice of customer-effectiveness-efficiency

Value is the timely delivery of effective quality ammunition that is safe and provides our warfighters an overmatch capability-readiness